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April 1, 2014

The Honorable Rudolph Randa
U.S. Department of Justice
Eastern District of Wisconsin
Courtroom 320
517 East Wisconsin Avenue
Milwaukee, WI 53202

Dear Judge Randa:

I joined the School District of Shorewood in July of 2013. As part of my introduction to the school district, the school board president briefed me on several personnel matters that would require my attention in the coming months. One of these matters was the theft of federal funds by then secretary Donna Sternke. These funds are designated to support programming for our students with special needs.

I am confident that our students with special needs received all of the services identified in their Individual Education Plans (IEPs). However, the theft of funds could have compromised our ability to comply with the federal Individuals with Disabilities Education Act. According to our records the theft amounted to approximately \$310,000.00.

In addition, the investigation into Ms. Sternke's actions required substantial investment of staff time and district resources. Her actions have had a negative and lasting impact on the district's reputation and a negative impact on trust among our employees.

The School District of Shorewood maintained records of staff time directed to the investigation of Ms. Sternke's actions. The business manager, interim director of curriculum and instruction, secretaries and superintendent all spent time beyond their normal areas of responsibility to investigate this matter. In order to provide the U.S. Department of Justice with documents it requested, temporary staffing was also hired. In total the district invested approximately \$13,793.00 of staff time into this matter. In addition the district incurred \$2,348.00 in attorney fees related to this matter. These figures do not include the costs of copying documents, the costs

of in-depth audits, and costs of staff time required to respond to media inquiries and public relations efforts to communicate what occurred to our community.

Since joining Shorewood Schools I am approached every few months by parents or community members and am asked to explain how this theft took place and to explain what internal controls are now in place to mitigate something like this happening again. The district's reputation in properly managing its affairs was damaged by Ms. Sternke's actions and no amount of explaining what took place and how we are moving forward seems to ameliorate our community's damaged trust. My energies and the energies of our staff could be much better spent but Ms. Sternke's actions now require that I rebuild this trust with our community.

In addition to the damaged reputation in the community, Ms. Sternke's actions have also caused a lack of trust among employees, in particular those who now fill her former role and those who are responsible for management of our purchasing procedures and processes. Effective organizations need to have high degrees of trust among employees. For some of our employees that trust has been damaged. Some of our employees spend too much energy explaining their actions and proper following of protocols so as to not be seen or thought of as engaged in inappropriate behavior. I need our employees focused on properly following procedures and not worrying about justifying these actions. Ms. Sternke's actions have led to an outcome where we are not getting the best from and for our employees.

Ms. Sternke used her access to district resources for her own gain limiting our ability to creatively serve some of our most vulnerable students, damaging the district's reputation in our community, and setting up a work environment where employees are constantly looking over their shoulders and not focusing on their best work. These impacts are significant and lasting.

Sincerely,

A handwritten signature in black ink, appearing to read 'Martin Lexmond', written over a horizontal line.

Martin Lexmond Ed.D
Superintendent